

STEPUP[®]

TO HIGHER EDUCATION

3-5

SAVINGS AND
SCHOLARSHIPS

6

FAFSA: APPLYING FOR
FINANCIAL AID

9

GRANTS AND
WORK-STUDY

10

STUDENT LOANS

Paying For College



YOU CAN PAY FOR COLLEGE

Paying for college can seem like an overwhelming task.

Luckily, there are different ways to get the money you need.

Think of it like a puzzle — you wouldn't just put down one piece and call it done, right? It's the same idea when it comes to paying for college. There are many pieces to fit together, such as scholarships, grants, work-study, savings, student loans — everyone's puzzle looks a little bit different.

Use this booklet to put together the pieces of your paying-for-college puzzle. Whether you're a freshman, sophomore, junior, or senior, there are things you can do RIGHT NOW to get started.

SAVING FOR COLLEGE

No matter how much or how little time and money you have, start saving for college now!

There are many ways to save, so choose what works best for you.

W A Y S T O S A V E

- **The Utah Educational Savings Plan (UESP)** is a tax-advantaged 529 college savings plan designed to encourage saving for future qualified higher education expenses. **Read more about UESP below.**
- **Bank/credit union savings and CD accounts** - Research terms and conditions for many financial institutions to find one that meets your needs. More information at websites such as **bankrate.com**.
- **The Utah Individual Development Account Network (UIDAN)** is a 3 to 1 savings match and financial education program. *You must meet income qualifications to participate in this program.* Find out more about program eligibility at **uidan.org**.

UTAH EDUCATIONAL SAVINGS PLAN

Save for college. Inspire their future.



The Utah Educational Savings Plan (UESP) is Utah's official nonprofit 529 college savings program. UESP is dedicated to helping Utah families save for future higher education expenses. Saving for college with UESP helps make it possible for you to achieve a higher education. When you and your family save with UESP, you may also save on federal and Utah state taxes. UESP requires no minimum deposits or balances, so you can save a little or a lot, according to your schedule. Open a UESP account online at uesp.org and begin saving today.

Important Legal Information

Read the Program Description for more information and consider all investment objectives, risks, charges, and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit uesp.org. Investments are not guaranteed by UESP, the Utah State Board of Regents, UHEAA, or any other state or federal agency. However, Federal Deposit Insurance Corporation (FDIC) insurance is provided for the FDIC-insured accounts. Please read the Program Description to learn about the FDIC-insured accounts. Your investment could lose value. Non-Utah taxpayers and residents: You should determine whether the state in which you or your beneficiary pays taxes or lives offers a 529 plan that provides state tax or other benefits not otherwise available to you by investing in UESP. You should consider such state tax treatment and benefits, if any, before investing in UESP.

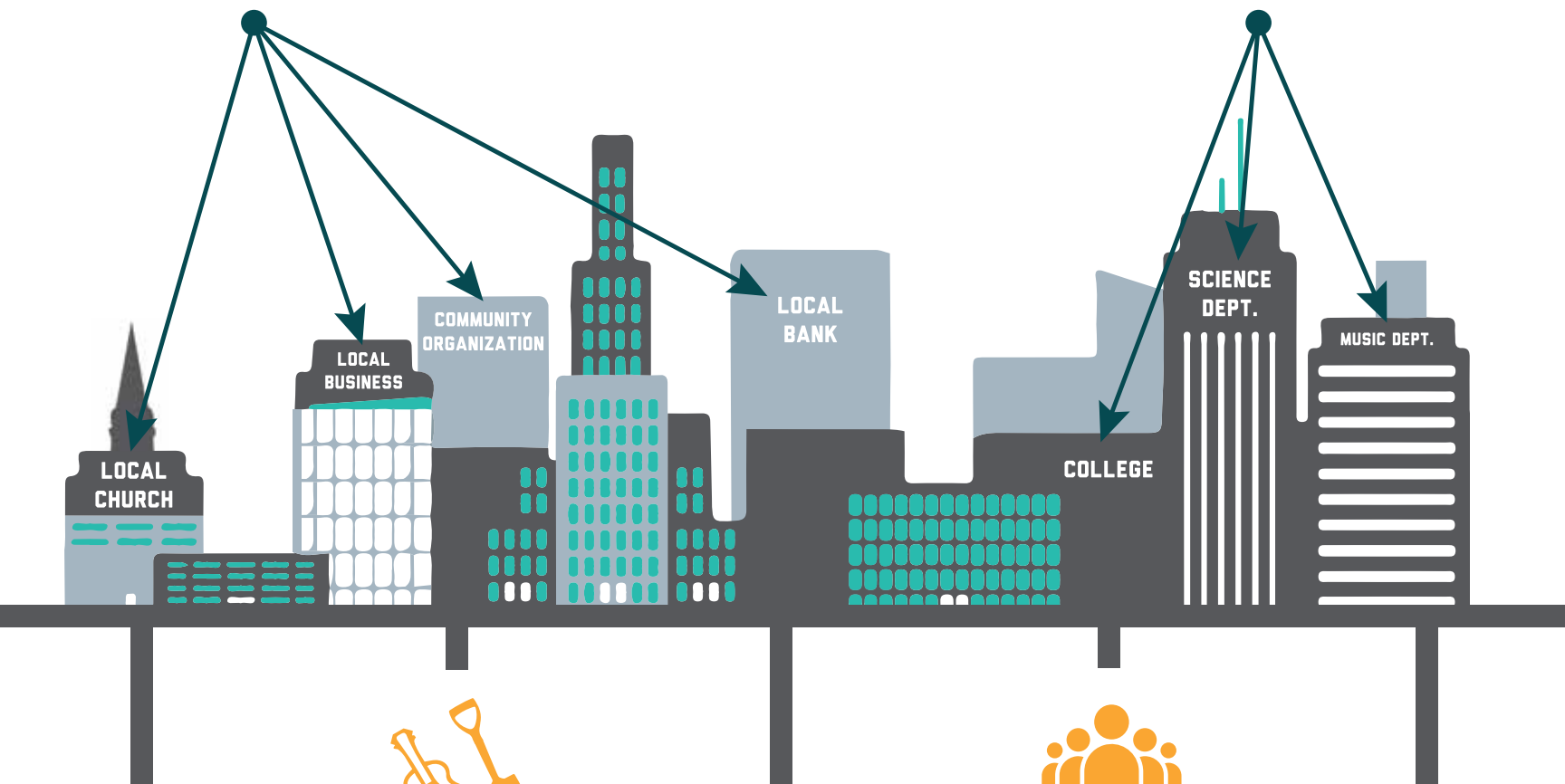
SCHOLARSHIPS 101

PRIVATE

Private scholarships are awarded for academic merit, volunteering/community service, leadership, special talents/abilities, family heritage/background, and more.

INSTITUTIONAL

Institutional scholarships are awarded by your college from specific departments (your major) or for other school related things like athletics and clubs.



Study hard and do your best to achieve **good grades and test scores.**



Be involved and engaged in your community and the things you're passionate about.



Explore at your school. Talk with your counselor, scholarship coordinator, and/or college access adviser at your school.



Search in your community. For example: credit unions, civic groups, parents' employers, religious organizations, local businesses, etc.



Browse the web. Scholarship search website examples can be found on the next page.

SCHOLARSHIP CHECKLIST

- ✓ **Identify and make a list of your strengths.** Try using a personality type assessment on [UtahFutures.org](https://utahfutures.org) if you aren't sure where to start.
- ✓ **Figure out what kind of scholarships you want to look for.** There are scholarships for academic merit, musical or artistic talent, athletics, and more.
- ✓ **Beware of scholarship scams.** Some online scholarship listings are just trying to get your money. Never, ever pay a fee to apply for scholarships.
- ✓ **See what scholarships your top colleges offer.** Many colleges and universities have scholarships to award to their students. There are different scholarships for incoming freshmen, transfer students, nontraditional students, and more.
- Start with a web search for your talents.** Try these combinations in a search engine:
 - ✓
 - "scholarship + your talent" or
 - "scholarship + your talent + college you're interested in"

For example, "scholarship + theatre arts" or "scholarship + video games + your college"
- Create profiles on national scholarship search websites such as:**
 - ✓
 - [UtahFutures.org](https://utahfutures.org) Scholarship Search
 - chegg.com
 - bigfuture.collegeboard.com
 - cappex.com

Note: Read through your scholarship matches carefully to decide which ones you want to apply for.
- ✓ **Make an appointment** with your school counselor or scholarship coordinator to find out what's available.
- ✓ **Get organized.** Make a list of scholarships you might want to apply for. You can download a sample tracking sheet from [StepUpUtah.com](https://stepuputah.com). Don't forget to update your list as you continue applying for scholarships.
- ✓ **Apply for scholarships.** Keep track of deadlines and submit everything on time. You'll learn a lot from the experience, and as you practice, you'll get better. Don't be discouraged by rejection.

FAFSA = FREE APPLICATION FOR FEDERAL STUDENT AID

Everyone who wants to go to college should file the FAFSA. Regardless of individual and/or family income, you never know what your financial eligibility might be until you file the FAFSA.

- **What does the FAFSA do?** It determines your eligibility for federal financial aid (such as grants, work-study, and student loans) as well as aid from your state and college.
- **Where do I file the FAFSA?** File at **FAFSA.gov**. Websites that don't end in ".gov" will charge you money, and you should never pay to apply for financial aid.
- **When should I file my FAFSA?** Check your college's priority deadline to see when to file your FAFSA. We recommend that you file between January and March of your senior year in high school.
- **How long does it take to file?** On average, it takes 33 minutes from start to finish.
- **The FAFSA must be re-filed each year you are in college** in order to be eligible for federal financial aid.
- **Over \$150 billion in federal financial aid is awarded to U.S. students each year.** Utah has the lowest FAFSA completion rate in the U.S. Utah students are leaving millions of financial aid dollars on the table!
- **Everyone should file.** There's no income cut-off for federal financial aid.

WHY SHOULD I FILE THE FAFSA?

File your FAFSA each and every year you're in college!

- **It's the only way to apply for ALL federal and most state financial aid**, including grants, work-study programs, and student loans.
- **Filing the FAFSA is a good backup plan to cover unexpected expenses** — even if you have a full-ride scholarship or savings to pay for college.
- **Many scholarships require you to file the FAFSA** as part of the application process.
- **You aren't required to accept financial aid.**

FAFSA CHECKLIST

BEFORE YOU APPLY FOR FINANCIAL AID:

- ✓ Research colleges that interest you.
- ✓ Apply to college (visit **StepUpUtah.com** for tips on applying).
- ✓ File your taxes (you will most likely need your parents' taxes as well).
- ✓ Make sure you and your parents set up "FSA IDs" at **FAFSA.gov**.

YOU'RE ALMOST READY TO APPLY. GATHER THESE THINGS!

- ✓ Your Social Security card or Permanent Resident card
- ✓ Your parents' Social Security card(s) or Permanent Resident card(s)*
- ✓ Most recent tax returns for you and your parent(s)
- ✓ Most recent untaxed income records
- ✓ Most recent W-2 forms for you and your parent(s)
- ✓ Bank account balances for you and your parent(s)
- ✓ Your driver's license
- ✓ Current business, investment farm, and stock/bond records



*If your parent(s) does/do not have a Social Security number, you may still be able to file your FAFSA. Ask your counselor for more information.


HAVE EVERYTHING YOU NEED?

- ✓ File the FAFSA at **FAFSA.gov**.

YOU'RE NOT DONE YET. TIME TO FOLLOW UP!

- ✓ Make sure you complete any additional paperwork required by your college.
- ✓ Check your Student Aid Report (SAR) and make any corrections or updates (update estimated tax info, add other colleges to your FAFSA, etc.).
- ✓ Review and compare financial aid award notifications from colleges.
- ✓ Accept your financial aid awards.

NEED HELP?



Many high schools host FAFSA Completion Open House events where you can get free assistance completing your FAFSA. To find an event near you, check with your school counselor or visit StepUpUtah.com.

You can also find resources on StudentAid.gov and FAFSA.gov — speak with an agent over the phone or in a live chat room, find more in-depth and the most up-to-date information about financial aid and the FAFSA, and more!

GRANTS AND WORK-STUDY

A grant is usually provided by the state or federal government.

All you need to do to apply for most grants is **file the FAFSA**.

- Grants don't have to be repaid.
- They're based on financial need (determined by the FAFSA).
- One of the most common grants is the Federal Pell Grant (**up to \$5,775/year**).
- Ask the financial aid office at your college for more info about available grants.

Work-study allows students to earn money through a part-time job.

You may qualify for a work-study job if you **file the FAFSA**.

- Work-study jobs are usually on campus and offer flexible hours.
- They come with financial aid benefits.
- They give you work experience related to your major in college (such as working in a chemistry lab or campus business office).

Pro tip: If you're eligible to receive grants or take part in the work-study program, use those funds first. Apply for as many scholarships as possible and use college savings before deciding to borrow any student loans.



T Y P E S O F L O A N S

- **Federal Direct Student Loans**, the most common federal student loan option, are available to almost everyone and come in two different types:
 - **Subsidized Direct Loans** are based on financial need and won't accrue interest as long as you're enrolled in school at least half-time.
 - **Unsubsidized Direct Loans** begin accruing interest as soon as you receive them. You're responsible for paying that interest. After you graduate, drop below half-time, or leave college, any unpaid interest will be added to your total loan balance (capitalized).
- **Federal Direct PLUS Loans** are for parents to help their dependent students pay for college. Check with your college's financial aid office to find out more.
- **Private Student Loans** are offered by financial institutions for students whose need (cost of college) isn't met after they've exhausted their federal financial aid options.



B O R R O W I N G T I P S

- **Exhaust all other financial aid options before considering student loans.** Fill out the FAFSA and look far and wide for scholarships, grants, and work-study jobs.
- **Aim to keep your student loan payments below 8-10% of your expected monthly income** upon college graduation. Find beginning salary averages for occupations at UtahFutures.org.
- **Borrow federal student loans first.** Borrow private student loans only if necessary.
- **Research all terms and conditions before borrowing** any type of loan.
- **Keep track of your loan amount(s) while in college and consider what you will have to repay** once you graduate. Use NSLDS.gov to track federal loans.
- **Know the important details about any loan(s) you borrow**, such as: interest rates, repayment terms, and borrower rights and responsibilities.
- **If you have an unsubsidized loan**, pay your interest while you're attending college.
- **Be aware that you MUST repay student loans** even if you don't graduate from college.
- **Student loan regulations, interest rates, and other terms of federal student loans are set by Congress, and are subject to change every year.** Keep in touch with the financial aid adviser at your college and be sure to read all the terms and conditions of every student loan promissory note carefully.

HEY, PARENTS!

ENCOURAGE YOUR STUDENT ON THEIR EDUCATIONAL JOURNEY

START EARLY

Whether it's saving for college, applying for scholarships, or researching college costs, the earlier you start, the more prepared you and your student will be. If you haven't started already, start today.

EDUCATE YOURSELF

There's plenty of bad information out there, and financial aid rules can change from year to year. Get the real story on **StepUpUtah.com**. For more information, ask a reputable source like a school counselor, college representative, or StepUP representative.

MAKE A PLAN

Helping your student create a plan for tackling scholarships, completing the FAFSA, saving, and doing well in school gives them the chance to openly discuss their ideas and share the responsibility.

SUPPORT RESILIENCE

Perhaps most importantly, encourage persistence. For every scholarship award, there will be a scholarship rejection. Being able to bounce back is the key to succeeding. Nobody's first attempt at a scholarship essay is perfect. Read through their essays and offer your suggestions. Recommend that they meet with English teachers, college advisers, and scholarship coordinators to get expert help.



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